



Credit Union Department

* * NEWSLETTER * *

No. 8-02

August 31, 2002

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Quarterly Call Reporting

Beginning September 30, 2002, all credit unions will be required to submit call reports on a quarterly basis. Credit unions less than \$10 million in assets will have the option of submitting a short version of the report during the March and September cycles. The short form (Form 5300SF) should reduce the reporting burden for smaller credit unions. However, the standard report (Form 5300) will be required for all credit unions at the mid-year (6/30) and year-end (12/31) cycles.

As reported in NCUA's Letter to Credit Unions **02-CU-10** addressing call reports and computer system requirements, the new program will no longer run on the Windows 3.11 operating system. Furthermore, the program will not be distributed on diskette. The new program will only be available on CD-ROM. **At a minimum, credit unions must have access to a system running Windows 95 or more recent version, as well as a CD-ROM drive, Microsoft Internet Explorer (Version 5.0 or higher), and 2 megabytes of free hard disk space.**

As in previous reporting cycles, credit unions will continue to submit their report to the department on diskette.

Call Report Accuracy

Our review of the June 30th call reports disclosed several recurring errors and omissions that warrant management's attention. These include:

- ❑ Improper classification of Cash On Hand, Cash On Deposit, and/or Cash Equivalents on page 1;
- ❑ Failure to include Delinquent Credit Card Loans in the Total Delinquent Loans on page 5;
- ❑ Inaccurate reporting of investment types on page 1 and/or page 10;
- ❑ Inaccurate reporting of investment maturities in the "Classification of Investments, Cash On Deposit, and Cash Equivalents" on page 10; and
- ❑ Incomplete or missing management reports (financial statements, delinquent loan reports, etc.).

It is imperative that the call reports accurately disclose all required information. Therefore, we ask that credit union staffers thoroughly read all instructions, and exercise caution in preparing the report to ensure that the information is accurate.

Please direct any questions to Isabel Velasquez, at 512-837-9236.

Applications Approved

Applications approved since July 31, 2002 include:

Credit Union

Changes or Groups Added

Field of Membership Changes Approved:

Fellowship Credit Union (San Antonio)
Members Choice Credit Union (Houston)
Southwest Heritage Credit Union (Odessa)
Texas Employees Credit Union (2 applications)(Dallas)

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Applications Received

The following applications were received and published in the August 30, 2002 issue of the *Texas Register*:

Field of Membership Expansion(s):

Lone Star Credit Union (Dallas) – To permit persons who live and/or work in and business entities within the geographical boundaries identified as: Highway 75 (Central Expressway) North from Highway Interstate 30, to Woodall Rodgers Freeway, then Southwest to Highway Interstate 35E (Stemmons Freeway) then, South to Highway Interstate 30, to be eligible for membership in the credit union.

Members Choice Credit Union (Houston) – To permit employees of ConocoPhillips and its subsidiaries, affiliates, or successors, to be eligible for membership in the credit union.

Texas Employees Credit Union (Dallas) – To permit employees of Joel H. Klein & Associates, San Antonio, Texas, to be eligible for membership in the credit union.

United Savers Trust Credit Union, (Houston) – To permit employees of LSI-SGI Graphics Incorporated, Houston, Texas, to be eligible for membership in the credit union.

Denton Area Teachers Credit Union, (Denton) – To permit persons who live, work, attend school, and businesses and other legal entities within the boundaries of Cooke County, Texas.

Baptist Credit Union (San Antonio) – To permit members of churches that are members of the San Antonio Baptist Association to be eligible for membership in the credit union.

Capitol Credit Union (Austin) – To permit employees of Michael Angelos Food Manufacturing Company, Austin, Texas, to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at the <http://www.tcad.state.tx.us/Applications.html> Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

Change 2, Rules for Texas Credit Unions

Enclosed with this Newsletter is Change 2 to update the Rules for Credit Unions. The effective date of this revision is August 11, 2002. Additional copies of the rules or any updates may be purchased from the Texas Credit Union League, P. O. Box 655147, Dallas, Texas 75265.

Operating Fee

On August 30, 2002, the Operating Fee invoices for Fiscal Year 2003 were mailed to all credit unions. All fees must be received on or before September 30, 2002 to avoid the payment of any penalties. If you do not receive an invoice, please contact Isabel Velasquez at (512) 837-9236.

The operating fee will be paid by each state-chartered credit union in semi-annual installments as billed, effective September 1st and March 1st. The first installment, due September represents 50% of the total fee. The final installment, which will not be greater than but may be less than 50% of the total fee, will be due no later than March 31, 2003. The fee is calculated based upon the credit union's total assets as of June 30, 2002.

Publishing Notice of Applications in the Texas Register

(www.sos.state.tx.us)

In order to meet the submission deadlines for the applicable issues of the *Texas Register*, it is necessary for the Department to establish the following schedule. Because of the *Texas Register* printing schedules, completed applications received after the deadline for the month cannot be published until the following month.

<u>For an Application To be Published</u>	<u>Deadline for Receipt of An Application</u>	<u>Comment Period Will Conclude on</u>
August 2002	Friday, August 16	September 30
September 2002	Friday, September 13	October 30
October 2002	Friday, October 11	November 30
November 2002	Friday, November 15	December 30
December 2002	Friday, December 13	January 30

Federal Credit Union Conversion

As of September 3, 2002, we will have a new credit union under our jurisdiction. On that date, EDS Employees Federal Credit Union will be issued a state charter in the name of EDS Credit Union.

Holiday Schedule for TCUD

The Department's office will be closed on September 2, 2002, in observance of Labor Day.



